

OFFICIAL COPY

Fresno, California

June 20, 2006

The City Council met in regular session at the hour of 8:30 a.m. in the Council Chamber, City Hall, on the day above written.

Present:	Tom Boyajian	Councilmember
	Brian Calhoun	Councilmember
	Mike Dages	Councilmember
	Cynthia Sterling	Councilmember
	Larry Westerlund	Councilmember
	Jerry Duncan	Council President

Henry Perea	Acting Council President (Absent from the morning session/arrived in the afternoon)
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Andy Souza, City Manager
 James Sanchez, City Attorney
 Becky Klisch, City Clerk
 Yolanda Salazar, Assistant City Clerk

Nandeep Chan from the Sikh Institute gave the invocation, and City Manger Souza led the Pledge of Allegiance.

COMMENDATION FROM THE PR&CS SENIOR HOT MEALS PROGRAM-SENIOR ADVISORY BOARD TO MAYOR AUTRY AND CITY COUNCIL MEMBERS

Commendation made.

APPROVE MINUTES OF JUNE 8, 12, 13 AND 14, 2006:

On motion of Councilmember Westerlund, seconded by Councilmember Sterling, duly carried, RESOLVED, the minutes of June 8, 12, 13 and 14, 2006, approved as submitted.

COUNCIL MEMBER REPORTS AND COMMENTS:

Councilmember Dages noted President Duncan made comments on the radio earlier this morning that the City Council had agreed to a utility rate increase and clarified he had not reached that conclusion, stated until he hears the facts, specifics, analysis and public input he would not make a decision on whether rates should increase, and requested President Duncan refrain from stating the "City Council as a whole" as he was not part of that "whole", with President Dages apologizing for the misinterpretation.

APPROVE AGENDA:

(10:45 a.m. #1) CONTINUED HEARING TO CONSIDER A RESOLUTION AMENDING THE STORM DRAINAGE AND FLOOD CONTROL MAP AND AMENDING THE DRAINAGE FEES AND COSTS FOR EACH LOCAL DRAINAGE AREA FOR ALL DEVELOPMENTS WITHIN THE JOINT AREA OF THE CITY OF FRESNO AND THE FRESNO METROPOLITAN FLOOD CONTROL DISTRICT (Continue to July 25, 2006, at 10:45 a.m.)

Continued as noted.

(10:00 A.M. #2) HEARING ON CFD NO. 2, ANNEXATION NO. 121, TRACT NO. 5300

1. RESOLUTION - ANNEXING TERRITORY AND AUTHORIZING THE LEVY OF A SPECIAL TAX
2. RESOLUTION - CALLING A SPECIAL MAILED BALLOT ELECTION
3. RESOLUTION - DECLARING ELECTION RESULTS
4. BILL - LEVYING A SPECIAL TAX FOR PROPERTY TAX YEAR 2006-2007 AND FUTURE TAX YEARS

Continued to July 18, 2006, at 10:00 a.m. at the request of staff.

(9:30 A.M.) CONTINUED HEARING ON REZONE APPLICATION NO. R-05-81 AND APPEAL OF ENVIRONMENTAL ASSESSMENT NO. R-05-81/C-05-216, FILED BY DEWAYNE ZINKIN, PROPERTY LOCATED BETWEEN N. FRESNO STREET, N. FRIANT ROAD, E. AUDUBON DRIVE AND E. COLE AVENUE (FRESNO 40 PROJECT)

1. CONSIDER THE E.A.
2. BILL - AMENDING THE OFFICIAL ZONE MAP

City Clerk Klisch advised there were two resolutions associated with the item that were included in Council's packet but the titles were inadvertently left off the agenda title. So noted.

**(10:45 A.M. #2) JOINT MEETING WITH THE REDEVELOPMENT AGENCY
(ITEMS "A" AND "B")**

Councilmember Sterling requested item "B" be heard before item "A".

On motion of Councilmember Dages, seconded by Councilmember Westerlund, duly carried, RESOLVED, the **AGENDA** hereby approved, as amended, by the following vote:

Ayes :	Boyajian, Calhoun, Dages, Sterling, Westerlund, Duncan
Noes :	None
Absent :	Perea

ADOPT CONSENT CALENDAR:

Councilmember Calhoun pulled Item 1-D and Councilmember Westerlund pulled Item 1-E from the Consent Calendar for discussion.

Councilmember Boyajian and President Duncan registered "NO" votes on Item 1-J.

(1-A) AUTHORIZE THE CHIEF OF POLICE TO ENTER INTO AN AGREEMENT WITH THE COUNTY OF FRESNO (SHERIFF'S DEPARTMENT) AND THE CITY OF CLOVIS (POLICE DEPARTMENT) FOR THE PURPOSE OF SHARING IN THE USE OF A Lenco BEARCAT ARMORED RESCUE VEHICLE PURCHASED WITH STATE HOMELAND SECURITY PROGRAM FUNDS FOR LAW ENFORCEMENT OPERATIONS

(1-C) REJECT THE ONE BID RECEIVED FOR THE CEDAR/SHAW INTERSECTION MODIFICATION PROJECT

(1-F) APPROVE AN AGREEMENT WITH CHEC ENGINEERING CONSULTANTS IN THE AMOUNT OF \$75,035 FOR THE PREPARATION OF A TRENCH CUT RECOVERY COST FEE STUDY, AND AUTHORIZE THE PUBLIC WORKS DIRECTOR OR DESIGNEE TO EXECUTE THE SAME

(1-G) APPROVE ACQUISITION OF A 114 SQUARE FOOT STREET EASEMENT FROM APN 455-010-12U FOR THE UNION PACIFIC RAILROAD MINIMUM PRICE OF \$5,000, AND AUTHORIZE THE PUBLIC WORKS DIRECTOR OR ASSISTANT DIRECTOR TO ACCEPT THE DEED OF EASEMENT FROM UNION PACIFIC RAILROAD AND SIGN ALL DOCUMENTS NECESSARY TO COMPLETE THE ACQUISITION OF THE STREET EASEMENT FOR THE RECONSTRUCTION OF CLOVIS AVENUE BETWEEN KINGS CANYON BOULEVARD AND MCKINLEY AVENUE

(1-H) RESOLUTION NO. 2006-226 - APPROVING THE FINAL MAP OF TRACT NO. 5412 AND ACCEPTING DEDICATED PUBLIC USES THEREIN, SOUTH SIDE OF E. BUTLER BETWEEN S. ARMSTRONG AND S. TEMPERANCE AVENUES

1. AUTHORIZE THE PUBLIC WORKS AND PLANNING & DEVELOPMENT DIRECTORS TO EXECUTE THE NECESSARY DOCUMENTS OUTLINED IN THE STAFF REPORT

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(1-I) APPROVE AN AMENDMENT TO THE SALES AND USE TAX ORDINANCE PURSUANT TO AGREEMENT WITH THE COUNTY OF FRESNO MEMORANDUM OF UNDERSTANDING

1. BILL NO. B-76 - ORDINANCE NO. 2006-80 - AMENDING THE FRESNO MUNICIPAL CODE RELATING TO LOCAL SALES AND USE TAXES

On motion of Councilmember Dages, seconded by Councilmember Sterling, duly carried, RESOLVED, the above entitled **CONSENT CALENDAR** hereby adopted, by the following vote:

Ayes : Boyajian, Calhoun, Dages, Sterling, Westerlund, Duncan
 Noes : None
 Absent : Perea

(1-J) BILL NO. B-79 - ORDINANCE NO. 2006-81 - AMENDING THE FRESNO MUNICIPAL CODE RELATING TO CARD ROOM EMPLOYEES OR POTENTIAL EMPLOYEES

On motion of Councilmember Dages, seconded by Councilmember Sterling, duly carried, RESOLVED, the above entitled Bill No. B-79 adopted as Ordinance No. 2006-81, by the following vote:

Ayes : Calhoun, Dages, Sterling, Westerlund
 Noes : Boyajian, Duncan
 Absent : Perea

CONTESTED CONSENT CALENDAR:

(1-D) ADOPT RESOLUTIONS PERTAINING TO LANDSCAPING AND LIGHTING MAINTENANCE DISTRICT NO. 1

- 1. RESOLUTION NO. 2006-227 - INITIATING PROCEEDINGS FOR THE ANNUAL LEVY OF ASSESSMENT**
- 2. RESOLUTION NO. 2006-228 - AUTHORIZING THE LEVY AND COLLECTION OF THE ANNUAL ASSESSMENT**

Councilmember Calhoun spoke to the LLMD program and explained what was at issue, and Assistant Public Works Director Kirn confirmed the matter and responded to questions and comments of Councilmember Calhoun relative to whether the LLMDs pay for themselves, subsidies, and need for residents to be willing to assess themselves a higher level for maintenance.

On motion of Councilmember Calhoun, seconded by Councilmember Dages, duly carried, RESOLVED, the above entitled Resolution Nos. 2006-227 and 2006-228 hereby adopted, by the following vote:

Ayes : Boyajian, Calhoun, Dages, Sterling, Westerlund, Duncan
 Noes : None
 Absent : Perea

(1-B) RESOLUTION NO. 2006-229 - AUTHORIZING ACCEPTANCE OF \$125,000 IN GRANT FUNDING FROM THE STATE OF CALIFORNIA, ALCOHOLIC BEVERAGE CONTROL, FOR THE POLICE DEPARTMENT'S 2006-2007 GRANT ASSISTANCE TO LOCAL LAW ENFORCEMENT AGENCIES PROJECT

An unidentified police department representative responded to questions of Councilmember Boyajian relative to the grant starting off targeting minors and if it was now targeting both minors and adults, if the funds will be used for officers going into drinking establishments, and if this program would assist the ABC unit in enforcement.

On motion of Councilmember Boyajian, seconded by Councilmember Westerlund, duly carried, RESOLVED, the above entitled Resolution No. 2006-229 hereby adopted, by the following vote:

Ayes : Boyajian, Calhoun, Dages, Sterling, Westerlund, Duncan
 Noes : None
 Absent : Perea

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(1-E) APPROVE AN AGREEMENT WITH THE VERNAL GROUP IN THE AMOUNT OF \$130,500 FOR THE PREPARATION OF A TRENCH CUT RECOVERY COST FEE STUDY WITHIN THE CITY

Public Works Director Healey and City Manager Souza responded to questions of Councilmember Westerlund relative to whether \$3.3 million of NNLB money was being used and if this was part of the \$45 million bond. Mr. Souza stated he believed this was part of the bond issuance but recommended the matter be tabled one week so staff could review and report back.

By Council consensus the matter was laid over one week.

(9:00 A.M.) PUBLIC COMMENT PERIOD:

(A) SCHEDULED COMMUNICATION: APPEARANCE BY CARRIE FAGANS-DAVIS (FAGAN'S IRISH PUB) TO DISCUSS DOWNTOWN PARKING

Appearance made with Ms. Fagans-Davis expressing concerns relative to paid parking, struggling businesses, loss of patrons due to parking, validation issues, and the inoperable elevator in parking garage No. 7. Public Works Director Healey, Councilmember Dages and Parking Manager Estabrooke addressed Ms. Fagans-Davis' comments, responded to Council questions, and spoke to the parking plan staff would be coming back with, to the status of the elevator, the ability to accommodate bike racks at any location, the validation issue, and the budget motion made by Councilmember Dages to change downtown parking regulations. Councilmember Sterling requested staff schedule the parking matter on the June 22nd agenda for discussion.

(B) UNSCHEDULED COMMUNICATION: APPEARANCE BY ERIC WARDWELL (1) EXPRESSING CONCERNS RELATIVE TO LACK OF HANDICAP PARKING DURING GRIZZLIES' GAMES, AND (2) NEED FOR A \$.25 CHARGE ON UTILITY BILLS FOR GRAFFITI REMOVAL

Appearance made with Public Works Director Healey and Councilmember Sterling responding to the parking issue and stating handicap parking needs were being addressed and explained.

(9:15 A.M.) GENERAL ADMINISTRATION

(A) RESOLUTION NO. 2006-230 - APPROVING THE UNMANNED TELECOMMUNICATIONS TRANSCEIVER FACILITY (CELL TOWER) POLICY AND PROCEDURES, ISSUE NO. 33

Planner Fabino reviewed the issue, all as contained in the staff report as submitted, and acknowledged and thanked the two involved industry representatives in the audience for all their hard work on this issue.

Consultant Rama Gulati, Carmichael, CA, spoke to her experience with wireless facilities and further to the issue and requested support.

On motion of Councilmember Westerlund, seconded by President Duncan, duly carried, RESOLVED, the above entitled Resolution No. 2006-230 hereby adopted, by the following vote:

Ayes :	Boyajian, Calhoun, Dages, Sterling, Westerlund, Duncan
Noes :	None
Absent :	Perea

(B) RESOLUTION NO. 2006-231 - OPPOSING ASSEMBLY BILL NO. 2987, THE DIGITAL INFRASTRUCTURE AND CABLE COMPETITION ACT OF 2006 IN ITS CURRENT FORM

CIO Hendricks recommended AB 2987 be opposed, and introduced Debbie Olson, Public Affairs Manager for the Central Valley Cities of the League of California Cities, who gave an in-depth review of AB 2987 and concerns with how it is currently drafted, and requested Council join with other cities and oppose the Bill.

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Councilmember Dages stated he could not understand how the author could take something like this forward especially since the local governments would lose control, and made a motion to adopt the resolution, which motion was seconded and later acted upon. Councilmember Boyajian noted he received some material just this morning and had not had time to review it and suggested the matter be laid over one week. Councilmember Calhoun spoke in support of the motion/resolution stating this was classic anti-federalism and elaborated, but stated it was unfortunate that something was not done sooner, he felt this resolution was meaningless and the City would be laughed at, and although he was frustrated and felt powerless he appreciated the comments.

Ms. Olson responded to questions and comments of Councilmember Westerlund relative to whether Comcast was opposing this as they wanted the structure to remain the way it currently was, AT&T being a big proponent because they want to provide services, and if the idea behind this was to allow more competition.

Mr. Hendricks noted Fresno County approved their Comcast agreement and advised within that agreement was a competitive clause stating if someone comes into the marketplace and starts receiving a certain share of that marketplace it will nullify the existing agreement and negotiations would have to restart.

Assistant City Manager Rudd stated the City as an organization did not take this lightly and did not believe a letter sent would be put into a circular file, and stated staff was engaged and they would not allow this to happen without input.

President Duncan stated he supported the Bill and felt it was a good Bill, noted what he distributed earlier was an Assembly analysis for additional information, disputed a statement in the staff report relative to access channels, and stated it was City's duty to support anything that provides competitive choices and further elaborated.

City Manager Souza stated noble comments were made but staff felt the Bill in its current form was not good legislation.

On motion of Councilmember Dages, seconded by Councilmember Sterling, duly carried, RESOLVED, the above entitled Resolution No. 2006-231 hereby adopted, by the following vote:

Ayes : Calhoun, Dages, Sterling, Westerlund
 Noes : Boyajian, Duncan
 Absent : Perea

(9:30 A.M.) CONTINUED HEARING ON REZONE APPLICATION NO. R-05-81 AND THE APPEAL OF E.A. NO. R-05-81/C-05-216, FINDING OF A MITIGATED NEGATIVE DECLARATION PURSUANT TO CEQA GUIDELINES, FILED BY DEWAYNE ZINKIN, PROPERTY LOCATED BETWEEN N. FRESNO STREET, N. FRIANT ROAD, E. AUDUBON DRIVE AND E. COLE AVENUE - FRESNO 40 PROJECT

1. RESOLUTION - DENYING THE APPEAL OF THE PLANNING COMMISSION'S DECISION ON THE E.A. AND ADOPTING THE MITIGATED NEGATIVE DECLARATION

2. BILL - AMENDING THE OFFICIAL ZONE MAP TO REZONE THE SUBJECT PROPERTY FROM R-P/UGM/cz, C-P/UGM/cz, AND C-2/UGM/cz TO R-P/UGM/cz, C-P/UGM/cz AND C-2/UGM/cz TO CHANGE A CONDITION OF ZONING TO ALLOW FOR A SECOND POINT OF ACCESS FROM THE SUBJECT PROPERTY TO FRIANT ROAD

President Duncan advised there was a request by the applicant to delay the matter one week and a motion and second was made to continued the hearing to June 27th at 3pm.

Applicant Attorney Richard Fairbank stated he had a conflict with the June 27th date and requested the hearing be continued to July 25th **(3 - 0)**. Brief discussion ensued and it was determined to remove the item from the agenda with a rescheduling date to be worked out among the involved parties.

On motion of President Duncan, seconded by Councilmember Boyajian, duly carried, RESOLVED, the Hearing on Rezone Application No. R-05-81 and the appeal of the E.A. removed from the agenda and the matter to be rescheduled, by the following vote:

Ayes : Boyajian, Calhoun, Dages, Sterling, Westerlund, Duncan
 Noes : None
 Absent : Perea

147-240

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(10:00 A.M. #1) HEARING ON CFD NO. 2, ANNEXATION NO. 120, TRACT NO. 5251

1. **RESOLUTION NO. 2006-232** - ANNEXING TERRITORY AND AUTHORIZING THE LEVY OF A SPECIAL TAX
2. **RESOLUTION NO. 2006-233** - CALLING A SPECIAL MAILED-BALLOT ELECTION
3. **RESOLUTION NO. 2006-234** - DECLARING ELECTION RESULTS
4. **BILL NO. B-83- ORDINANCE NO. 2006-82** - LEVYING A SPECIAL TAX FOR PROPERTY TAX YEAR 2006-2007 AND FUTURE TAX YEARS
5. **RESOLUTION NO. 2006-235** - APPROVING THE FINAL MAP OF TRACT NO. 5251 AND ACCEPTING THE DEDICATED PUBLIC USES THEREIN, AND AUTHORIZING THE PUBLIC WORKS DIRECTOR, PUBLIC UTILITIES DIRECTOR, AND THE PLANNING & DEVELOPMENT DIRECTOR TO EXECUTE THE NECESSARY DOCUMENTS

President Duncan announced the time had arrived to consider the issue, opened the hearing, and upon his question Assistant Public Works Director Kirn stated the staff report as submitted was complete and there was no new information to add.

Upon call, no one wished to be heard and President Duncan closed the hearing.

On motion of Councilmember Sterling, seconded by Councilmember Westerlund, duly carried, RESOLVED, the above entitled Resolution Nos. 2006-232, 2006-233, 2006-234 and 2006-235 hereby adopted, and the above entitled Bill No. B-83 adopted as Ordinance No. 2006-82, by the following vote:

Ayes :	Boyajian, Calhoun, Dages, Sterling, Westerlund, Duncan
Noes :	None
Absent :	Perea

(10:00 A.M. #3) HEARING ON CFD NO. 2, ANNEXATION NO. 123, TRACT NO. 5283

1. **RESOLUTION NO. 2006-236** - ANNEXING TERRITORY AND AUTHORIZING THE LEVY OF A SPECIAL TAX
2. **RESOLUTION NO. 2006-237** - CALLING A SPECIAL MAILED-BALLOT ELECTION
3. **RESOLUTION NO. 2006-238** - DECLARING ELECTION RESULTS
4. **BILL NO. B-84- ORDINANCE NO. 2006-83** - LEVYING A SPECIAL TAX FOR PROPERTY TAX YEAR 2006-2007 AND FUTURE TAX YEARS

President Duncan announced the time had arrived to consider the issue, opened the hearing, and upon his question Assistant Engineering Services Manager Witzel stated the staff report as submitted was complete and there was no new information to add.

Upon call, no one wished to be heard and President Duncan closed the hearing.

On motion of Councilmember Dages, seconded by Councilmember Sterling, duly carried, RESOLVED, the above entitled Resolution Nos. 2006-236, 2006-237 and 2006-238 hereby adopted, and the above entitled Bill No. B-84 adopted as Ordinance No. 2006-83, by the following vote:

Ayes :	Boyajian, Calhoun, Dages, Sterling, Westerlund, Duncan
Noes :	None
Absent :	Perea

RECESS - 10:13 A.M. - 10:26 A.M.

(10:15 A.M.) HEARING ON REZONE APPLICATION NO. R-05-71 AND ENVIRONMENTAL FINDINGS FILED BY HANSEN EDENBRIDGE FRESNO VENTURE, NORTHWEST CORNER OF N. POLK AND W. DAKOTA AVENUES

1. CONSIDER AND ADOPT E.A. NO. R-05-71/T-5538/C-05-201, DATED MARCH 16, 2006, FINDING OF CONFORMITY TO THE GENERAL PLAN MEIR
2. **BILL NO. B-85 - ORDINANCE NO. 2006-84** - AMENDING THE OFFICIAL ZONE MAP TO REZONE FROM RR TO R-2/UGM

President Duncan announced the time had arrived to consider the issue, opened the hearing, and upon his question Planner Marple stated the staff report as submitted was complete and there was no new information to add.

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Upon call, no one wished to be heard and President Duncan closed the hearing.

Councilmember Boyajian stated he would not support the project as there was no agreement with Fresno County for the area, the development was not paying its fair share, there were serious road and traffic safety issues, an EIR was needed to see all the areas' impacts, and this was going back to piecemeal development.

A motion and second was made to approve staff's recommendation.

City Attorney Sanchez and Assistant Public Works Director Kirn responded to questions of Councilmember Calhoun relative to the confidential memo released by the City Attorney's office relative to street fees and how the street impact fee issue was currently moving through the process.

Upon the request of Councilmember Sterling, applicant representative Jeff O'Neill of Provost & Pritchard responded to Councilmember Boyajian's comments and concerns and advised of their requirements and improvements they would make, with Councilmember Boyajian responding. Councilmember Westerlund stated he would oppose the project due to the drop to lower densities and explained. Ms. Marple responded briefly to questions of President Duncan relative to this project conforming to the general plan with President Duncan stating he would support the project as the developer went through the process and played by all the rules and to not support that would be unfair.

On motion of Councilmember Dages, seconded by President Duncan, duly carried, RESOLVED, the environmental finding for the E.A. hereby approved, and the above entitled Bill No. B-85 rezoning the property adopted as Ordinance No. 2006-84, by the following vote:

Ayes :	Calhoun, Dages, Sterling, Duncan
Noes :	Boyajian, Westerlund
Absent :	Perea

(10:20 A.M.) HEARING ON R-05-70 AND ENVIRONMENTAL FINDINGS FILED BY QUAD KNOPF ENGINEERING ON BEHALF OF ENNIS LAND DEVELOPMENT, LLC, PROPERTY LOCATED ON THE NORTH SIDE OF W. MCKINLEY BETWEEN N. BLYTHE AND N. BRAWLEY AVENUES (4260 W. MCKINLEY)

1. CONSIDER AND ADOPT E.A. NO. R-05-70/R-5598, DATED APRIL 13, 2006, FINDING OF CONFORMITY TO THE GENERAL PLAN MEIR

2. BILL NO. B-86 - ORDINANCE NO. 2006-85 - AMENDING THE OFFICIAL ONE MAP TO REZONE FROM RR TO R-1/UGM

President Duncan announced the time had arrived to consider the issue, opened the hearing, and upon his question Planner Brock advised a cumulative traffic study was conducted, Fresno County had input, and the project was consistent with the general plan and further elaborated.

Susan (last name inaudible) of Quad Knopf Engineering requested approval.

Upon call, no one else wished to be heard and President Duncan closed the hearing.

Traffic Engineering Manager Mozier and Assistant City Manager Ruiz responded to numerous questions and comments of Councilmember Sterling relative to traffic signals needs at McKinley and Blythe, what it would take to address the traffic signal problem, and if staff needed to discuss this matter with Fresno County. A motion and second was made to approve staff's recommendation.

Councilmember Boyajian spoke to the issue, presented questions, and elaborated on his concerns and on the need for a global review to determine the area's needs. Ms. Brock responded to questions of Councilmember Westerlund relative surrounding development in place or planned and why medium density was being allowed between low density. Councilmember Westerlund spoke briefly to the Antioch case and stated it predated the city's MEIR and was no longer applicable. Councilmember Sterling spoke to how the area was being developed, to her support for lower densities, and to the need to work closer with agencies on housing needs. Ms. Brock responded to questions of Councilmember Calhoun relative to whether this tract was filed prior to the new street impact fees, number of projects that would be coming forth that were also filed before, how this development fit into the broader scheme of things **(4 - 0)**, and if there was a

different set of standards for the area, with Councilmember Calhoun stating an understanding of what is happening in the west area was needed.

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On motion of Councilmember Sterling, seconded by Councilmember Dages, duly carried, RESOLVED, the environmental finding for the E.A. hereby approved, and the above entitled Bill No. B-86 adopted as Ordinance No. 2006-85, by the following vote:

Ayes : Calhoun, Dages, Sterling, Westerlund, Duncan
 Noes : Boyajian
 Absent : Perea

The City Council recessed at 11:12 a.m. and convened in joint session with the Redevelopment Agency.

(10:45 A.M. #2) JOINT MEETING WITH THE REDEVELOPMENT AGENCY

APPROVE AGENCY MINUTES OF JUNE 13, 2006

On motion of Councilmember Westerlund, seconded by President Duncan, duly carried, RESOLVED, minutes of June 13, 2006, approved as submitted.

(B) APPROVE AND AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER INTO A PURCHASE AND SALES AGREEMENT FOR VACANT PROPERTY OWNED BY HOLY TRINITY ARMENIAN APOSTOLIC CHURCH

Executive Director Murphey gave an overview of the issue, all as contained in the staff report as submitted.

On motion of President Duncan, seconded by Councilmember Westerlund, duly carried, RESOLVED, the Executive Director authorized to enter into a Purchase and Sales Agreement and take the necessary actions to close escrow, by the following vote:

Ayes : Boyajian, Dages, Duncan, Westerlund, Sterling
 Noes : Calhoun
 Absent : Perea

(A) APPROVE A PURCHASE AND SALE AGREEMENT FOR PROPERTY AT 115 E. LORENA IN THE HOPE VI AREA, AND AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT AND TAKE ALL ACTIONS NECESSARY TO ACCEPT CONVEYANCE AND CARRY OUT THE AGREEMENT

Chair Sterling recused herself from the proceedings due to her family having property interest in the Hope VI area and left the meeting at 11:15 a.m.

Supervising Real Estate Agent Balch gave an overview of the issue, all as contained in the staff report as submitted. Upon question of Vice Chair Boyajian, Mr. Balch stated he had the agreement and Deputy City Attorney Heeren advised he reviewed it and approved it as to form.

Executive Director Murphey added this was simple fee for the entire site and this wrapped up the land assembly.

Councilmember Westerlund thanked Agency and City staff stating he appreciated all the work they've done, and Vice Chair Boyajian also thanked staff and stated this was going to be the greatest project in Fresno's history.

On motion of Councilmember Westerlund, seconded by President Duncan, duly carried, RESOLVED, the acquisition of the single-family residence at 115 E. Lorena owned by Enriqueta Alcala, Ramon Mendez Alcala, Guadalupe Mendez Alcala, and Reynaldo Mendez Alcala for \$104,000 hereby approved, and the Executive Director authorized to execute all documents pertaining to the transaction, by the following vote:

Ayes : Calhoun, Dages, Duncan, Westerlund, Boyajian

Noes : None
 Absent : Perea
 Recused : Sterling

147-243

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The joint bodies adjourned their meeting at 11:21 a.m. and the City Council reconvened in regular session.

CLOSED SESSION:

("A") CONFERENCE WITH LEGAL COUNSEL/DECIDING WHETHER TO INITIATE LITIGATION - CASE NAME: COF V. ROBERT SCHOETTLER, ET AL.

("B") CONFERENCE WITH LEGAL COUNSEL/ANTICIPATED LITIGATION - SIGNIFICANT EXPOSURE TO LITIGATION/CASE NAME: COF. V. M.J. MENEFE CONSTRUCTION, INC., GREAT AMERICAN INSURANCE COMPANY

("C") CONFERENCE WITH LABOR NEGOTIATOR - MEET AND CONFER REGARDING SALARY REALIGNMENTS IN ACCORDANCE WITH AN MOU PROVISION: UNIT 01, NON-SUPERVISORY BLUE COLLAR, INTERNATIONAL UNION OF OPERATING ENGINEERS, STATIONARY ENGINEERS LOCAL 39

The City Council met in closed session in Room 2125 at the hour of 11:25 a.m. to consider the above matters and recessed for lunch thereafter.

LUNCH RECESS - 11:50 A.M. - 2:01 P.M.

(2:00 P.M.) CONTINUED HEARING ON THE FY 2007 CITY OF FRESNO BUDGET

MOTION - Dages/Duncan - The Public Utilities Department appropriate \$78,723 for the construction of a sewer line in the 5200 block of E. Huntington Boulevard between Peach and Lind Avenues.

President Duncan advised all motions would be grouped together by department to provide a better chance to see the whole picture, and brief discussion ensued on when the motions would be heard and allowing additional public input.

DIRECTION #19 - Councilmember Calhoun clarified and expanded his direction to both City and Redevelopment Agency staff.

Councilmember Calhoun spoke to utilities and stated he would like more detail in writing on the operating cuts to the Water Division.

Councilmember Calhoun spoke to his and Acting President Perea's item from a few months ago on partnering with the Central Valley Higher Education Consortium (CVHEC) and the request that \$85,000 be budgeted and noted Mayor Autry chose not to include those funds in the budget as requested by Council although he did include a scholarship program.

MOTION - Calhoun/Duncan - Fund a City partnership with the CVHEC to provide a walk-in college information center as voted on by Council on April 4, 2006, for \$85,000.

Councilmember Calhoun spoke to economic development and Property Based Improvement Districts, or PBIDs, and how California has been using them for 13 years and elaborated on PBIDs and his desire to allocate funds to start a PBID.

MOTION - Calhoun/Westerlund - Allocate \$75,000 as a contingency should a PBID be approved in the upcoming fiscal year.

Councilmember Calhoun continued and spoke to whether the City should be running education programs and stated he felt this was the year to take a pause, look at the programs closely and evaluate them, and he wanted to hold the programs at the current levels and not start new programs.

MOTION - Calhoun/Westerlund - The Community Science Program be kept FY 2006 level (defund by \$120,000).

Councilmember Calhoun continued and spoke to the Fresno Connect Program and it being funded to the tune of \$212,000, noted this was an after school program and he saw it as semi-recreation, and stated that was a lot of money and he could not accept it without any information and further elaborated, with Budget Manager Smith and Assistant City Manager Ruiz responding to questions and concerns.

MOTION - Calhoun/Boyajian - Fund the Fresno Connect Program at \$150,000.

147-244

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Acting President Perea arrived at 2:30 p.m.

TRANSPORTATION DEPARTMENT:

Assistant City Manager Rudd introduced key staff and gave a PowerPoint presentation on the department's budget which included a department overview, FY 2006 highlights **(5 - 0)**, major initiatives, FY 2007 initiatives, and future challenges.

Gloria Torrez spoke in opposition to Measure "C" and explained and stated those funds could be used for improved transit services including improved bus stops, full weekend service, earlier and later hours, concerns with drivers and buses, bus stop lighting, and stated she wanted to see the department audited.

Lengthy discussion ensued with Mr. Rudd responding to questions of Councilmembers Boyajian, Sterling, Westerlund, Dages and President Duncan relative to trolleys and downtown service, night service, weekend service hours, Sunday service, urban sprawl and if staff has considered developers paying into a fund for bus service, ridership levels, if demographics have changed, if better-looking and smaller buses have been considered, the transit system, Measure "C" and if increased frequencies will be looked at if it passes, bus types (hybrids, CNG and diesel) and why they are shifted around, when a decision will be made on which bus type to pursue, bus wraps/advertisement revenues ridership and cost per rider, emission numbers, if CNG was more efficient, service levels/frequencies, position on the statement made that if so much money was not wasted the City could offer free rides, thank you for bus stops installed in Calwa, **(6 - 0)** complaints received, status of establishing a Regional Transportation Authority, upcoming school openings in northeast Fresno and if bus service to that area will be a reality (with Mr. Rudd stating it would if Measure C passes), what the impacts will be on FAX if Measure C does not pass, and if there will be no bus service to the new educational complex if Measure C does pass (with Mr. Rudd stating it would be a challenge), if FAX had graffiti-proof bus signs and replacement signs, money budgeted to bus shelter upgrades/replacements, and FSU's interest in doing some things with FAX in terms of ridership.

MOTION - Perea/Dages - Approve the Transportation Department budget.

RECESS - 3:37 P.M. - 3:46 P.M.

GENERAL SERVICES DEPARTMENT:

MOTION - Dages/Duncan - Approve the General Services Department budget

General Services Manager Nerland responded to questions of Councilmember Boyajian relative to a credit card program for parking meters and the Santa Fe Depot including whether second floor tenants were being sought, if the second floor was completed, and if any interest has been shown.

Councilmember Sterling commended the department and thanked staff for the assistance she has been given.

Upon the request of Councilmember Westerlund Mr. Nerland gave a PowerPoint presentation on his department's budget which included Revenues, Division Highlights, Clean Air Fleet Highlights, Pass-Through costs, and Cognos reports, and along with Assistant City Manager Rudd responded throughout to questions of Councilmember Westerlund.

Discussion continued with Mr. Nerland and Mr. Rudd responding to questions of Acting President Perea, Councilmember Boyajian, President Duncan and Councilmember Westerlund relative to surveying to determine building candidates for solar power, if funding was being pursued for solar projects, request that staff submit a report to Council when the survey is completed, the Building Maintenance Plan, who has a list of all City-owned property, abandoned city buildings and need for the City to hold itself to the same standards, the old bank building on Van Ness purchased by the Parking Division and what the status was with the HVAC project, if staff was going forth to utilize the building, and request for a tray memo on the issue.

There was no further discussion on the department's budget.

RECESS - 4:15 P.M. - 4:18 P.M.

FINANCE DEPARTMENT:

147-245

6/20/06

Interim Controller/Finance Director Bradley gave a PowerPoint presentation on her department's budget which included "Team Finance", Cognos Dashboard, Department Mission, Initiatives and Results, Operating Appropriations (**7 - 0**), Focus for FY 2007, FTE Requests, and Department Position Overview.

Lengthy discussion ensued with Ms. Bradley responding to questions of Acting President Perea and Councilmembers Dages and Westerlund relative to debt collection efforts, estimation of money that won't be captured, need to move forward in seeing what collection opportunities are available, if a program should be developed first, if Ms. Bradley was still serving in an interim capacity, the Blosser term, number of staff in the Internal Audit Division, internal audit reports not being submitted to Council, what the distinction was between city-wide and department-wide audits, request that staff develop a policy or code for Council to vote on (if one is not in place) requiring that Council be provided with any audits generated by the Internal Audit Division, and contract monitoring and compliance and if the department receives a copy of the contract and monitors it in any form.

MOTION - Westerlund/Boyajian - Set aside \$70,000 in the City Attorney's Office for a Contract Compliance/Data-Base Manager.

Discussion continued with Ms. Bradley, Assistant City Manager Rudd, City Attorney Sanchez and Budget Manager Smith responding at length to questions and comments of Councilmembers Westerlund, Boyajian, President Duncan and Councilmember Calhoun relative to whether there was ever a time the department would notify Council directly of a shifting of personnel between departments, support for a study on collecting potential revenues, if outside counsel is used to collect debt, why taxes were down, department vacancies, Professional Services/Consulting costs, the Controller position being vacant for over a year and how the salary is ultimately allocated, the internal auditor and the serious issue wherein a past city manager re-wrote the auditors report, what the current policy was, the city manager having a right to comment but audit reports having no value if they are not independent, the business license activity planned and encouragement to staff to undertake an education/outreach program for businesses (**8 - 0**), desire to see a list of all non-productive and leased city-owned properties and consider selling properties to generate needed resources, FY 2006 amended budget and actuals, concern with the Controller position remaining vacant for so long, the importance of the position and it being different from department heads, Councilmember Calhoun emphasizing he did not want to sit through another budget with an Interim Controller, the lack of a discussion on whether the City has a surplus, concern that nothing is being presented to Council on whether there is a surplus at the end of the year and if there is an opportunity to invest that money, it being important for Council and the public to get that information, and request that the Controller provide surplus/deficit information Council.

There was no further discussion on the department's budget.

The budget hearing was continued to Wednesday, June 21, 2006, at 9:00 a.m.

ADJOURNMENT

There being no further business to bring before the City Council, the hour of 5:38 p.m. having arrived and hearing no objections, President Duncan declared the meeting adjourned to Wednesday, June 21, 2006, at 9:00 a.m.

Approved on the _____ 27th _____ day of _____ June _____, 2006.

_____/s/_____
Jerry Duncan, Council President

ATTEST: _____/s/_____
Yolanda Salazar, Assistant City Clerk

147-246

6/20/06